

United States Senate

WASHINGTON, DC 20510

COMMITTEES:

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BUDGET

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September 30, 2009

Joseph H. Boardman
President and Chief Executive Officer
Amtrak
60 Massachusetts Avenue, NE
Washington, DC 20002

Dear Mr. Boardman:

The purpose of the Pioneer Train report required by Congress is to determine the costs and benefits of restoring a key corridor between the Midwest, the Intermountain States, and the Pacific Northwest. Unfortunately, the draft report appears to understate the ridership levels by using projections at a level nearly 30 percent below the historic high in 1992 and overstates the capital investment requirements and annual costs. Even under these questionable assumptions, it is important to note that in terms of total subsidy to routes, the Pioneer would be the 6th smallest out of sixteen.

The passenger rail experts I have been in contact with tell me that there are many more creative and less expensive ways to start and operate the Pioneer Train. I believe that the report needs to be reworked so that its assumptions can withstand scrutiny and comparison with the other fifteen long-distance trains that Amtrak operates. The goal for the study should be to develop a blueprint to reinstate the Pioneer Train at the lowest capital investment cost that supports safe and efficient operation and to quickly grow the ridership to a level that will bring a farebox recovery and the net cost per passenger mile to the median for Amtrak long-distance trains.

Benefits of Restoring the Pioneer Route to Idaho and Region :

In the past year, I have been contacted by hundreds of Idahoans who have written, called and emailed my office in support of reinstating the Pioneer Train across southern Idaho. In addition, several cities along the Pioneer route passed resolutions in support of reinstating the Pioneer Train. While nearly 80 percent of the responses were favorable, there are those concerned about the significant capital investment and ongoing operating subsidies needed to bring back and operate the Pioneer Train. I share those concerns.

We can all agree that reinstating the Pioneer Train has many positive benefits to include: connecting the Mountain West States to the national passenger rail system; adding travel options and increasing mobility for citizens; restoring a key corridor between the Midwest, the Intermountain States and the Pacific Northwest; enhancing economic and community development along the route; and providing a less fuel intensive and more environmentally sound transportation option.

These are important benefits, but they must be achieved at a reasonable and sustainable cost. I am fully aware of the need for public investment and ongoing support for key transportation infrastructure systems including highways, airports, seaports and railroads. While I applaud Amtrak and its contractor on this draft study, there are many unanswered questions, broad assumptions and rough cost estimates in the draft report that need additional work and analysis before Congress can be called on to make a decision on reinstating the Pioneer Train.

Questions with Ridership Projections:

The study projects the ridership at a level nearly 30 percent below the historic high in 1992 while the population growth in the states along the route has increased by 41 percent. Even taking into account increased direct flights between major cities along the route, this projection seems highly pessimistic. I would appreciate a written response explaining the ridership modeling and the assumptions used to obtain the estimates in the study.

The ridership numbers need to be recalculated with additional analysis on ways to increase ridership by considering alternate train schedules and different stopping points. For example, public/private partnerships for marketing the Pioneer Train should be considered to increase ridership through public awareness and coordinating with tour and transit bus companies. My office has received comments from bus companies interested in coordinating routes to serve the Pioneer Train. I urge you to review the comments provided by the Cascadia Center/ Pioneer Restoration Organization for more detail on this option.

Questions with Capital Investment Estimates:

Capital investment requirements must be reduced significantly to reasonable levels and a phased approach developed to facilitate funding. The capital investment estimates are excessive. Options to provide refurbished cars and engines for the Pioneer Train must be considered for the initial operation of the train. The Cascadia Center suggests that more than \$100 million could be saved with this approach. I would like to have a written response outlining options and costs using existing rolling stock and refurbished cars for starting the Pioneer Train.

The costs for host railroad capital improvement are conjecture. The study states that "these figures are subject to significant uncertainty" and that they are based solely upon initial analysis by Union Pacific. It is understood that some costs are subject to negotiation with the host railroad, but a more thorough analysis should be completed with much more accurate cost estimates. In the completed study, Amtrak needs to reduce these costs to those upgrades that are truly needed for safe and efficient operation. I expect Amtrak to provide my office a written estimate of the minimum costs for host railroad capital improvements for safe and efficient operation.

Comparison with other Long-Distance Trains:

The Pioneer Train is an important element of a regional transportation system and a key component of a national system of passenger rail routes. The study should evaluate the Pioneer Train's costs and benefits relative to the other long-distance trains in the Amtrak system. Realistic and achievable target metrics should be developed for the operation of the Pioneer that allow for growth to serve one of the fastest growing areas of the nation.

Idahoans favor reinstating the Pioneer Train at a reasonable cost. I pledge to work with Amtrak to determine how to make this important intercity route feasible and sustainable and look forward to your responses to my questions and the completed study.

Sincerely,

A handwritten signature in black ink, reading "Mike Crapo". The signature is fluid and cursive, with the first name "Mike" and last name "Crapo" clearly distinguishable.

Michael D. Crapo
United States Senator

cc: Jonathan Hutchison